

STATE OF WASHINGTON



# GOVERNOR'S BUDGET

Compiled for the Thirty-Fifth Legislature

CONVENED JANUARY 14, 1957



SUBMITTED BY  
**ARTHUR B. LANGLEIE**  
GOVERNOR

VOLUME ONE



State of Washington  
EXECUTIVE DEPARTMENT  
Olympia

ARTHUR B. LANGLIE  
Governor

January 16, 1957

To the Honorable, the Senate  
and the House of Representatives  
of the State of Washington:

In compliance with the provisions of chapter 9, Laws of 1925, as amended by chapter 162, Laws of 1929 and chapter 184, Laws of 1953, of the State of Washington, I have the honor to transmit herewith the Governor's Budget for the fiscal biennium, July 1, 1957, to June 30, 1959, together with letter of transmittal from the Director of Budget, and other information and data.

Respectfully submitted,

*Arthur B. Langlie*  
Governor



STATE OF WASHINGTON

Office of  
DIRECTOR OF BUDGET  
OLYMPIA

E. D. BRABROOK  
DIRECTOR

November 15, 1956

His Excellency, Arthur B. Langlie  
Governor of the State of Washington  
Olympia, Washington

Sir:

In accordance with Chapter 9, Laws of 1925, as last amended by Chapter 184, Laws of 1953, there is transmitted herewith the Preliminary Budget for the fiscal biennium July 1, 1957 to June 30, 1959.

The 1953 Legislature, by Chapter 184, Laws of 1953, changed the fiscal biennium from a period beginning April 1st in each odd-numbered year and ending March 31st in the succeeding odd-numbered year, to a biennial period beginning July 1st and ending June 30th in odd-numbered years. As a result of this change there was created an interim period of three months - April, May and June 1955, covering fiscal transactions between the close of the biennium ending March 31, 1955 and the new biennium beginning July 1, 1955.

In the compilation of this budget the detailed estimates of appropriations and expenditures by departments, (Part Two), do not include the expenditures made during the three-month interim period, as this period has no comparative value or significance. The total amount expended from each appropriation or function during the interim period is shown in Part One under the Comparative Summary by Departments. Actual receipts during this period are shown in Part Two under the various departments collecting revenues for the State.

OVERALL BUDGET

The Preliminary Budget shows a total estimated expenditure  
from all funds for all purposes of.....\$1,624,431,692.02

Of this amount transfers between funds and non-expense  
items total..... 352,427,865.19

Leaving a net Departmental (Spending) Budget of.....\$1,272,003,826.83

This compares with the Preliminary Budget submitted to the  
Governor two years ago for departmental expenditures of.... \$995,795,199.29

THE GENERAL FUND

The 1955 Legislature abolished 27 special funds in the State Treasury and 2 local funds maintained outside the State Treasury and transferred the balance of such funds, together with future receipts, to "Accounts Within the General Fund". The act making these transfers "earmarked" or limited expenditures from the "Accounts" to the purposes for which the revenues were originally provided in the special funds being abolished. The "Accounts" are therefore not available for general governmental purposes but are limited to the particular purposes for which the revenue has been collected.

In the compilation of the budget this office has continued to show the operation of the General Fund Proper (not including Accounts Within the General Fund) in much the same manner as heretofore. This will provide the basis for an intelligent comparison of receipts and disbursements with prior biennial periods as well as comparable information on current operations and the increase or decrease in the General Fund deficit as a result of such operations.

"Accounts Within the General Fund" are shown separately so that comparisons with the former special funds can readily be made. In the summary tables "By Funds" in Part One of the budget, the "Accounts" are grouped together immediately following the General Fund, and the total of all will compare with the General Fund as carried on the books of the State Treasurer.

THE GENERAL FUND<sup>(1)</sup>

Current Biennium July 1, 1955 to June 30, 1957

The actual deficit in the General Fund at the beginning of the Current Biennium, July 1, 1955 amounted to.....	\$58,104,588.23
Estimated Receipts for the Biennium.....	\$577,719,348.37
Estimated Expenditures for the Biennium.....	<u>549,063,438.76(2)</u>
Operating Surplus for the Biennium.....	<u>28,655,909.61</u>
Indicated Deficit June 30, 1957.....	\$29,448,678.62
Incompleted Capital Outlay projects authorized by the 1955 Legislature, for which reappropriations from the General Fund will be requested, amount to.....	<u>3,045,685.47</u>
Cumulative Deficit July 1, 1957.....	\$32,494,364.09

- (1) Not including Accounts Within the General Fund.  
(2) Including Deficiencies and Legislative Expenses, Thirty-fifth Session.

PRELIMINARY BUDGET

Ensuing Biennium July 1, 1957 to June 30, 1959

Indicated Deficit July 1, 1957.....	\$32,494,364.09
Estimated Revenue.....	\$652,838,218.10
Appropriations Requested.....	<u>812,429,857.12</u>
Requests in excess of estimated revenues.....	<u>159,591,639.02</u>
Indicated Cumulative Deficit June 30, 1959 if Departmental requests are approved and fully expended.....	\$192,086,003.11

THE GOVERNOR'S BUDGET

Upon completion of the Governor's revised estimates of expenditures, we will include in the printed Governor's Budget an analysis of the General Fund to be appended to this letter.

Respectfully submitted,



E. D. Brabrook  
Director of Budget

THE GENERAL FUND

Comparative Summary for Current Biennium and Ensuing Biennium  
Based upon Governor's Revised Budget

	Biennium July 1, 1955 June 30, 1957	Biennium July 1, 1957 June 30, 1959
DEFICIT AT BEGINNING OF BIENNIUM	\$58,104,588.23	\$32,494,364.09
RECEIPTS FOR BIENNIUM		
State Sources	\$503,910,611.09	\$563,502,160.95
Federal Government	<u>73,808,737.28</u>	<u>89,336,057.15</u>
Total Receipts	\$577,719,348.37	\$652,838,218.10
Available for Disbursement	\$519,614,760.14	\$620,343,854.01
DISBURSEMENTS FOR BIENNIUM		
Expenditures as shown by Statement Appended Hereto	<u>552,109,124.23 (A)</u>	<u>652,096,151.94</u>
DEFICIT AT END OF BIENNIUM	\$32,494,364.09	\$31,752,297.93

(A) Includes \$3,045,685.47 Estimated Reappropriations  
and \$14,154,299.25 Deficiencies.

ESTIMATED RECEIPTS -- GENERAL FUND

	1955-1957 Biennium	1957-1959 Biennium
REVENUE FROM STATE SOURCES		
Revenue Act of 1935 - Retail Sales, Business, Occupational and Other Taxes	\$420,971,003.44	\$471,816,500.00
Inheritance and Gift Taxes	11,219,971.12	12,800,000.00
Ad Valorem Taxes	12,670,865.60	16,936,300.00
Public Lands - Sales and Other Income	632,740.10	595,377.66
Secretary of State - Corporation Licenses and Fees	1,250,000.00	1,300,000.00
Insurance Premiums Tax, Licenses, etc.	11,765,365.92	12,938,999.00
Liquor Profits (State Portion)	18,015,000.00	19,270,000.00
5% of Motor Vehicle Excise Tax	1,725,000.00	2,000,000.00
Cigarette Tax Excess of Bond Retirement Requirements	11,489,803.16	12,850,000.00
Deposit Interest and Investment Income	1,635,902.58	1,758,075.08
Tuitions - University of Washington	1,093,768.39	1,253,174.00
Miscellaneous Revenue	<u>11,441,190.78</u>	<u>9,983,735.21</u>
Total State Sources	\$503,910,611.09	\$563,502,160.95
FEDERAL GOVERNMENT		
Social Security	\$67,071,232.00	\$74,322,772.00
Public Health	1,119,659.81	1,520,000.00
Education	3,056,600.00	9,329,594.00
Lower Columbia River Development	1,756,731.60	2,772,299.15
All Other Federal Aid	<u>804,513.87</u>	<u>1,391,392.00</u>
Total Federal Government	\$73,808,737.28	\$89,336,057.15
Total Revenue	\$577,719,348.37	\$652,838,218.10

ANALYSIS OF THE GENERAL FUND EXPENDITURE BUDGET

	1955-1957 Biennium		1957-1959 Biennium	
	Appropriated Budget	Estimated Expenditures	Department's Request	Governor's Revised Budget
<b>STATE GOVERNMENT</b>				
Elective and Appointive Departments:				
Elective Officials	\$4,164,107.00	\$4,153,464.61	\$5,754,974.63	\$4,408,896.00
Legislative and Judicial	1,559,260.36	2,076,120.60	2,198,872.14	2,105,763.81
Boards and Committees	2,689,900.00	2,615,541.46	3,894,629.26	3,186,116.33
Code and Appointive Departments	<u>22,961,027.66</u>	<u>21,831,420.69</u>	<u>34,590,635.65</u>	<u>28,237,969.00</u>
Total Elective and Appointive Departments	\$31,374,295.02	\$30,676,547.36	\$46,439,111.68	\$37,938,745.14
Institutions of Higher Education	52,678,191.00	52,717,716.00	73,124,505.18	68,028,144.00
State Institutions	38,992,701.00	40,196,825.24	67,888,979.00	51,267,308.00
Miscellaneous	487,586.04	462,796.79	560,686.19	536,388.25
Interest on Warrants, Loans and Overdrafts	1,500,000.00	214,044.90	300,000.00	300,000.00
Capital Outlays:				
Institutions of Higher Education	3,120,368.88	3,127,633.63	28,057,235.72	2,460,530.00
State Institutions	4,569,961.75	4,131,425.72	26,305,208.00	12,491,492.00
Bond Retirement and Interest	2,551,337.50	2,493,273.03	2,551,317.50	2,551,317.50
Other Capital Outlays	<u>5,547,901.29</u>	<u>5,417,807.55</u>	<u>5,124,797.00</u>	<u>3,629,537.00</u>
Total State Government	<u>\$140,822,342.48</u>	<u>\$139,438,070.22</u>	<u>\$250,351,840.27</u>	<u>\$179,203,461.89</u>
<b>FUNDS DISTRIBUTED BY STATE GOVERNMENT</b>				
Education:				
School Support	\$193,494,066.00	\$189,143,748.41	\$273,870,670.00	\$241,232,284.00
School Buildings	—	—	52,000,000.00	—
Bond Retirement and Interest	5,102,675.00	5,036,293.15	5,102,635.00	5,102,635.00
State Aid to Counties, Cities, Towns and Other Taxing Districts	12,675,302.00	11,645,653.84	12,198,891.86	11,080,778.00
Social Security (Including Medical Care and Administration)	189,050,571.00	201,856,948.44	211,872,069.94	209,251,158.00
Industrial Insurance	3,800,000.00	3,099,263.98	3,400,000.00	3,400,000.00
Other Pensions and Assistance	<u>906,300.00</u>	<u>781,033.00</u>	<u>861,275.05</u>	<u>861,275.05</u>
Total Distributed	<u>\$405,028,914.00</u>	<u>\$411,562,940.82</u>	<u>\$559,305,541.85</u>	<u>\$470,928,130.05</u>
Civilian Defense and Disaster Relief	\$128,000.00	\$125,517.00	\$1,102,475.00	\$294,560.00
Tax and Other Refunds	420,000.00	353,621.19	420,000.00	420,000.00
Governor's Emergencies	<u>1,250,000.00</u>	<u>628,975.00</u>	<u>1,250,000.00</u>	<u>1,250,000.00</u>
Total Disbursements	\$547,649,256.48	\$552,109,124.23 (A)	\$812,429,857.12	\$652,096,151.94

(A) Includes \$3,045,685.47 Estimated Reappropriations, \$14,154,299.25 Estimated Deficiencies and \$581,801.85 Estimated Expenses of the Thirty-fifth Legislature.

\* The amount of \$628,975.00 shown above represents expenditures from allotments estimated to be made by the Governor during the second year of the current biennium July 1, 1956 to June 30, 1957. Estimated expenditures from allotments by the Governor prior to July 1, 1956 total \$364,921.74 and are included under the various Departments, Offices and Institutions shown above.